

## Exempt Purchases by Contractors in Connection With Construction Projects in Indian Country of the Mashantucket Pequot or Mohegan Tribes

**General Purpose:** A construction contractor uses this certificate to purchase or rent tangible personal property for use exclusively in connection with construction projects performed for the Mashantucket Pequot Tribe or Mohegan Tribe or their enrolled members in Indian country of those tribes.

The tangible personal property may consist of materials and supplies to be physically incorporated into the construction project or equipment purchased or rented by the contractor to be used in Indian country of those tribes in fulfilling the contract if:

- The equipment is used exclusively and permanently in Indian country of the tribes; **and**
- The entire cost of the purchase is passed on to the tribe or an enrolled member of the tribe.

The exemption applies **only** when title to tangible personal property passes to the contractor or delivery of rented property is taken by the contractor in Indian country of the tribe.

**Statutory Authority:** Conn. Gen. Stat. §§12-407(a)(6), 12-408c, and 12-412(2).

**Instructions for the Purchaser:** A construction contractor signs and issues this certificate for purchases or rentals of tangible personal property used in connection with a construction contract performed for the Mashantucket Pequot Tribe or Mohegan Tribe or an enrolled member of the tribe in Indian country of the tribe when:

- Title to the property passes or the delivery of the rented property is taken in Indian country of the tribe (unless a Buy Connecticut permit is provided);
- The entire cost of the purchase or rental of the property is passed on to the tribe or an enrolled member of the tribe; **and**
- The equipment will be used exclusively and permanently (or for the entire rental period in the case of rented property) in Indian country of the tribe.

Purchases or rentals of tangible personal property **are not exempt**, and sales and use taxes apply to the purchases by a construction contractor, where title to the property or delivery of the rented property is taken by the purchaser outside of Indian country of the tribe even if the purchaser immediately transports the property to Indian country of the tribe.

However, under the Buy Connecticut provision as described in Conn. Gen. Stat. §12-408c, a business may apply to the Department of Revenue Services (DRS) for a refund of sales and use taxes paid on tangible personal property purchased from a Connecticut retailer when those goods will be:

- Shipped outside of Connecticut by common or contract carrier for exclusive use outside of Connecticut; **or**
- Incorporated into other property to be shipped outside of Connecticut for exclusive use outside of Connecticut.

The Buy Connecticut provision also allows the Commissioner of Revenue Services to issue permits that enable qualified purchasers to purchase property without payment of sales and use taxes. DRS considers Indian country to be outside of Connecticut for purposes of the Buy Connecticut

provision. (See **Special Notice 2001(5)**, *The “Buy Connecticut” Provision*.)

In addition, Conn. Gen. Stat. §12-407(6) excludes from use tax the exercise of any right or power over tangible personal property shipped or brought into Connecticut for the purpose of subsequently transporting it outside the state for use solely outside Connecticut, or to be processed, fabricated, or manufactured into, attached to, or incorporated into other tangible personal property to be transported, and used solely, outside Connecticut (such as into Indian country).

If title to property or delivery of rented property is taken outside of Indian country of the tribe and the purchaser intends to use the property outside of Indian country of the tribe and subsequently uses it outside of Indian country of the tribe, or if the entire cost of the purchase or rental is not passed on to the tribe or an enrolled member of the tribe, the purchaser is liable for use tax on the purchase price of the property.

Keep a copy of the certificate and records that substantiate the information entered on this certificate for at least six years from the date it is issued.

**Instructions for the Seller:** Acceptance of this certificate, when properly completed, relieves the seller from the burden of proving the sale, storage, use, or other consumption of tangible personal property is not subject to sales and use taxes. The certificate is valid only if taken in good faith from a contractor for sales or rentals or property that take place in Indian country of the tribe in connection with a construction contract that will be performed for the Mashantucket Pequot Tribe or Mohegan Tribe or an enrolled member of the tribe in Indian country of the tribe. Sales of property take place at the location where title to the property passes or where the rented property is delivered. The good faith of the seller will be questioned if the seller knows of facts that suggest:

- Title to the property does not pass or the delivery of rented property does not take place in Indian country of the tribe (unless a Buy Connecticut permit is provided);
- The purchaser does not intend to use the property, permanently and exclusively in Indian country of the tribe, in connection with a construction contract for the tribe or their enrolled members in Indian country of the tribe; **or**
- The entire cost of the purchase will not be passed on to the tribe or one of its enrolled members.

Keep this certificate and bills or invoices to the purchaser for at least six years from the date of the purchase. The bills, invoices, or records covering all purchases made under this certificate must be marked to indicate this was an exempt purchase. The words “Exempt under CERT-128” satisfy the requirement.

This certificate may be issued annually as a blanket certificate for a line of continuing purchases.

**For More Information:** Call Taxpayer Services at 1-800-382-9463 (in-state) or 860-297-5962 (from anywhere). **TTY, TDD, and Text Telephone users** only may transmit inquiries anytime by calling 860-297-4911. Preview and download forms and publications from the DRS Web site at [www.ct.gov/DRS](http://www.ct.gov/DRS)

Name of Seller	Address	CT Tax Registration Number (If none, explain)	Federal Employer ID #
Name of Purchaser	Address	CT Tax Registration Number (If none, explain)	Federal Employer ID #
Check One Box	<input type="checkbox"/> Blanket Certificate	<input type="checkbox"/> Certificate for One Purchase Only	
Check One Box	<input type="checkbox"/> Purchased	<input type="checkbox"/> Rented	
Description			

### Declaration by Purchaser

I declare that:

- The purchaser is a construction contractor purchasing or renting tangible personal property for use in connection with a construction contract with the Mashantucket Pequot Tribe or the Mohegan Tribe or an enrolled member of the tribe performed in the Indian country of the tribe;
- Title to the property or delivery of rented property will be taken in Indian country of the tribe (unless a Buy Connecticut permit is provided);
- The property will be used exclusively and permanently (in the case of rented property, for the entire rental period) by the contractor in Indian country of the tribe; **and**
- The entire cost of the property or entire cost of the rental of the property during the rental term will be passed on to the tribe or an enrolled member of the tribe.

I acknowledge that the contractor will be liable for Connecticut use tax, plus penalty and interest, on the total purchase price of the property if the contractor does not meet the conditions listed above.

I declare under penalty of law that I have examined this document (including any accompanying schedules and statements) and, to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false return or document to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both.

\_\_\_\_\_  
Name of Tribe or Enrolled Member

\_\_\_\_\_  
Location of Construction Project

By: \_\_\_\_\_  
Signature of Purchaser Title Date